

 <p style="text-align: center;"><b>Council Communication</b> Office of the City Manager</p>	<b>Date</b>	June 22, 2009
	<b>Agenda Item No.</b> 24 <b>Roll Call No.</b> <u>09-</u> <b>Communication No.</b> <u>09-427</u> <b>Submitted by:</b> Larry Hulse, Community Development Director	

**AGENDA HEADING:**

Approval of a \$300,000 grant request to the Federal Home Loan Bank of Des Moines Affordable Housing Program by the City of Des Moines/West Bank to provide rehabilitation assistance in low-income owner-occupied housing.

**SYNOPSIS:**

The grant application is for \$300,000 that will go directly into home repairs and lead remediation for low-income owner-occupants. The grant application is matched by \$374,925 of Community Development Block Grant (CDBG) funds and \$300,000 from the Polk County Housing Trust Fund (PCHTF). Money for staff and administration is provided by CDBG dollars. If the grant application is successful 75-108 low-income households will be assisted over an eighteen-month period with minor home repairs.

**FISCAL IMPACT:**

Amount: \$374,925 of CDBG will match the grant funds

Funding Source: 2009-2010 Operating Budget, SP020, CDD049900 CDBG2009014 NCS-Homeowner Rehab, page 70

**ADDITIONAL INFORMATION:**

The Federal Home Loan Bank of Des Moines provides grant funds for member banks through a grant program called the Affordable Housing Program. A member bank may sponsor a non-profit or government organization to make application to administer a program that preserves affordable housing for low-income residents. Applications for funds are held bi-annually and are very competitive.

The City of Des Moines has worked with West Bank to make application for and receive funds to supplement the City housing programs for low-income owner-occupied structures over the past several years. Only certain banks in the Des Moines area are Member Institutions of the Federal Home Loan Bank able to make application for the funds. West Bank is headquartered at 1601 22nd Street in West Des Moines. Daniel McNace is the Executive Vice President of West Des Moines State Bank with signature privileges from the Federal Home Loan Bank of Des Moines.

This grant request will augment existing City CDBG funding and PCHTF funding for low income families within the Minor Home Repair Program.

### **1. Minor Home Repair Program**

The Neighborhood Conservation Division will assist between 75-108 low-income homeowners with emergency repairs on their homes. Minor home repairs include such system failures as a broken water line or collapsed roof. A minor home repair is limited to a total of \$8,999 per loan. The Federal Home Loan Bank funds would provide up to \$2,000 in home repair per structure, the Polk County Housing Trust Fund dollars provide an additional \$2,000 and CDBG funds the final \$4,999. Administrative staffing costs are provided through CDBG for the Neighborhood Conservation Division of the Community Development Department.

Minor Home Repair applicants may also be eligible for up to \$4,000 (\$2,000 from PCHTF and \$2,000 from FHLB) in additional funds to make needed exterior improvements. This component of the Minor Home Repair program is new this year and complements the neighborhood revitalization focus of the NCS division. Typical exterior improvements may include brush or tree removal, porch or siding repair, service walk repair, etc.

The City of Des Moines has received grants from the Federal Home Loan Bank to supplement its minor home repair program in 2000, 2001, 2004, and 2006.

### **PREVIOUS COUNCIL ACTION(S):**

Date: February 25, 2008

Roll Call Number: 08-312

Action: Grant request to Federal Home Loan Bank of Des Moines Affordable Housing Program by the City of Des Moines/West Bank to provide rehabilitation assistance in low-income owner-occupied housing. (Council Communication No. 08-080) Moved by Hensley to adopt. Motion Carried 7-0.

Date: August 20, 2007

Roll Call Number: 07-1614

Action: Grant Application of \$250,000 to Federal Home Loan Bank of Des Moines from Affordable Housing Program by City of Des Moines/West Bank to provide rehabilitation assistance in low-income owner-occupied housing that contains lead based paint. (Council Communication No. 07-497) Moved by Vlassis to adopt. Motion Carried 7-0.

Date: November 6, 2006

Roll Call Number: 06-2181 and 06-2182

Action: Form of Agreement with West Des Moines State Bank (West Bank) and the Federal Home Loan Bank of Des Moines for funds to be used in conjunction with the following:

- (A) Lead Remediation for low-income owner-occupants. (Council Communication No. 06-686) Moved by Vlassis to adopt. Motion Carried 6-0.
- (B) Affordable Housing Program Grant for Minor Home Repairs. (Council Communication No. 06-687) Moved by Vlassis to adopt. Motion Carried 6-0.

Date: April 24, 2006

Roll Call Number: 06-772

Action: \$250,000 Grant Request to Federal Home Loan Bank of Des Moines Affordable Housing Program by the City and West Des Moines State Bank to provide rehabilitation assistance in low-income owner-occupied housing that contains lead based paint. (Council Communication No. 06-237) Moved by Hensley to adopt. Motion Carried 7-0.

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

If the grant application is successful, a future action will be needed to sign a grant agreement with the Federal Home Loan Bank and with West Bank.

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the second floor of City Hall, 400 Robert D. Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to [cityclerk@dmgov.org](mailto:cityclerk@dmgov.org).